

DIA, DOS, OSD review(s)
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GENERAL

1. Rumored Soviet attack on Istanbul considered "doubtful"--The US Delegate ACC Bulgaria transmits a report from a Dutch Consular official that a Soviet attack on Istanbul is scheduled for the night of 18-19 September. The US Delegate considers such an attack to be "doubtful and part of the war of nerves." He points out that, while there is "some movement" of Soviet troops in Bulgaria, there is no evidence that local Soviet forces have been augmented. Turkish authorities in Sofia are "convinced" that the Soviets "could not" attack Turkey with the forces now in Bulgaria.
2. Yugoslavs reinforce troops on Greek border--US Military Attaché Belgrade reports that, according to a "usually reliable" source, air corps personnel and planes, "many ground troops," and large shipments of guns, munitions and general war supplies have been shipped during the past two weeks from north and central Yugoslavia to the Greek border.
3. USSR may intensify attacks on British foreign policy--Embassy London points out the "coincidence" between (a) the fact that the Communist Parties of the British Empire are planning a conference in the near future, and (b) the report that the Soviet Foreign Office is expanding its British Commonwealth Department, possibly preparatory to intensifying its attack on British foreign policy through the Communist Parties of the Commonwealth (see Daily Summary of 12 September, item 7). The Embassy also reports the belief of two British Communist Party leaders that the "nationalistic" disputes among European Communist Parties can only be eliminated by reviving the Comintern.
4. US again asks Soviet cooperation in aid to Hungary--The State Department, in reply to the 27 July Soviet refusal to cooperate with the US and UK in the economic rehabilitation of Hungary, concludes that it will be impossible for the US and USSR to agree on the exact economic situation existing in Hungary or its causes, and considers that "no useful purpose will be served by further assertions and denials." The US note, however, states that, in view of Hungary's "obvious" economic need, the US Delegate ACC Hungary "stands ready at any time" to consult with his Soviet and British colleagues to implement the three-power Yalta obligation to assist in the economic stabilization of the country.

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5. Japanese reparations conference--Subject to any comments from Ambassador Smith, the State Department plans to inform the Soviet representative on the Far Eastern Commission that, while it agrees with certain of the Soviet proposals regarding a Japanese reparations conference, such as the general treatment of reparations claims on broad political lines, it cannot agree with the Soviet position that "war booty" (including, by Soviet definition, the equipment that the USSR has already removed from Manchuria) should not be taken into account in settling reparations claims. The Department feels that it must press for action "at the earliest possible date" on the US recommendation that the FEC call a reparations conference.

The Department will also inform the USSR that if the FEC is unable to call a reparations conference within a reasonable length of time, the US, as principal occupying power, will call a reparations conference "outside the framework of FEC" and "with the cooperation of whatever other governments now represented on the FEC wish to join her."

EUROPE

6. USSR: Successful Soviet atom bomb tests reported- -According to US Naval Attache Moscow, Assistant US Naval Attache Odessa reports that

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[redacted] recently arrived in Odessa from the Far East, stated that he had been co-pilot of a plane which dropped the first of three atom bombs in tests successfully conducted in the Chita region (east of Lake Baikal) during June or July.

US Military Attache Moscow comments that (a) previous rumors of atom bomb tests place the time as June or July, but the location as Kazakhstan rather than in the Chita region (see Daily Summary of 29 July, item 6); (b) the description of the bomb and its effect are not in keeping with US experience; and (c) the story repeats many of the inaccuracies contained in early reports of US atom bombs. The MA is inclined to believe that the story is either a "plant" or is unfounded.

7. GREECE: Military operations against leftist bands unsuccessful [redacted]

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[redacted] the Government's recent military operations against leftist bands in northern

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Greece (see Daily Summary of 7 August, item 10) have "failed." Although many leftists were heavily penalized and 1,200 were "deported," an even larger number has escaped to the mountains.

8. ITALY: Abolition of AC proposed--According to the State Department, the US and UK have agreed that the Allied Commission in Italy should be abolished immediately, and now hope to receive the consent of France and the USSR to the plan. AFHQ would assume the AC's remaining functions, which relate to Italian armed forces, DP camps and AMG activities.

NEAR EAST-AFRICA

9. NORTH AFRICA: US air demonstration at Tangier approved--Secretary Byrnes has approved the proposed air demonstration in connection with the ROOSEVELT'S visit to Tangier (see Daily Summary of 16 September, item 8).
10. IRAN: Tribal "plot" discounted--Ambassador Allen believes that the alleged Baghiari plot to take over control of southern Iran was based upon little, if any, real evidence. Allen also is inclined to accept the British Ambassador's denial of British complicity in the "plot."

FAR EAST

11. PHILIPPINES: Military base agreement--President Roxas has informed Ambassador McNutt that he will not submit a military base agreement to this session of the Philippine Congress. He plans to review the base negotiations in an address to the nation after Congress' adjournment and then to call a special session to consider a military base treaty.